

Introductory Business Law

Description of the Examination

The Subject Examination in Introductory Business Law covers subject matter usually taught in an introductory one-semester college course in this subject. The exam places major emphasis on understanding the functions of contracts in American business law, but also includes questions on the history and sources of American law; legal systems and procedures; agency and employment; sales; and other topics.

The exam is 90 minutes long and includes approximately 100 multiple-choice questions to be answered in two separately timed 45-minute sections.

Knowledge and Skills Required

Questions on the exam require candidates to demonstrate the following abilities.

- Knowledge of basic facts and terms (about 30-35 percent of the exam)
- Understanding of concepts and principles (about 30-35 percent of the exam)
- Ability to apply knowledge to specific case problems (about 30-35 percent of the exam)

The subject matter of the Introductory Business Law exam is drawn from the following topics.

Approximate Percent of Examination

11%	History and sources of American law
12%	American legal systems and procedures
60%	Contracts
	Meaning of terms
	Formation of contracts
	Consideration
	Joint obligations
	Contracts for the benefit of third parties
	Assignment/Delegation
	Statute of frauds
	Scope and meaning of contracts
	Breach of contract
	Bar to remedies for breach of contract
	Discharge of contracts
	Illegal contracts
3%	Agency and employment
4%	Sales
10%	Miscellaneous
	Torts
	Property
	Product liability

Study Resources

To prepare for the Introductory Business Law exam, you should study the contents of at least one textbook used in business law courses at the college level, focusing on the topics listed in the "Knowledge and Skills Required" section and omitting topics that are not included in the section. Most textbooks contain many cases and case problems in addition to text material on theory and principles. Most also contain the complete text of the Uniform Commercial Code and a glossary of law terms. Although most textbooks cover the topics listed in the "Knowledge and Skills Required" section, they may vary somewhat in content, approach, and emphasis. You may therefore wish to consult more than one textbook on the major topics. You can find textbooks used for college-level business law courses in many college bookstores. The Internet is another resource you should explore.